

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Income Tax Act is amended by
5 changing Section 210.5 as follows:

6 (35 ILCS 5/210.5)

7 Sec. 210.5. Tax credit for employee child care.

8 (a) Each corporate taxpayer is entitled to a credit against
9 the tax imposed by subsections (a) and (b) of Section 201 in an
10 amount equal to (i) for taxable years ending on or after
11 December 31, 2000 and on or before December 31, 2004 and for
12 taxable years ending on or after December 31, 2007, 30% of the
13 start-up costs expended by the corporate taxpayer to provide a
14 child care facility for the children of its employees and (ii)
15 for taxable years ending on or after December 31, 2000, 5% of
16 the annual amount paid by the corporate taxpayer in providing
17 the child care facility for the children of its employees. The
18 provisions of Section 250 do not apply to the credits allowed
19 under this Section ~~5% credit under item (ii) of this~~
20 ~~subsection~~. If the 5% credit authorized under item (ii) of this
21 subsection is claimed, the 5% credit authorized under Section
22 210 cannot also be claimed.

23 To receive the tax credit under this Section a corporate

1 taxpayer may either independently provide and operate a child
2 care facility for the children of its employees or it may join
3 in a partnership with one or more other corporations to jointly
4 provide and operate a child care facility for the children of
5 employees of the corporations in the partnership.

6 (b) The tax credit may not reduce the taxpayer's liability
7 to less than zero. If the amount of the tax credit exceeds the
8 tax liability for the year, the excess may be carried forward
9 and applied to the tax liability of the 5 taxable years
10 following the excess credit year. The credit must be applied to
11 the earliest year for which there is a tax liability. If there
12 are credits from more than one tax year that are available to
13 offset a liability, then the earlier credit must be applied
14 first.

15 (c) As used in this Section, "start-up costs" means
16 planning, site-preparation, construction, renovation, or
17 acquisition of a child care facility. As used in this Section,
18 "child care facility" is limited to a child care facility
19 located in Illinois.

20 (d) A corporate taxpayer claiming the credit provided by
21 this Section shall maintain and record such information as the
22 Department may require by rule regarding the child care
23 facility for which the credit is claimed.

24 (Source: P.A. 91-930, eff. 12-15-00.)

25 Section 99. Effective date. This Act takes effect upon
26 becoming law.